

### *Tax Cuts Will Create Jobs, Strengthen the Economy, & Improve Communities*

*Washington, DC* - In an effort to promote economic growth, job creation, community development, and provide much-needed tax relief to those who need it most, Congressman Maurice Hinchey (D-NY) today helped the House pass the Tax Extenders Act of 2009 – a measure that extends important tax breaks totaling \$31 billion for working and middle class Americans, as well as small businesses.

"This bill delivers much-needed tax relief to individuals, families, small businesses, and communities across New York and the entire country," Hinchey said. "By extending this tax relief we are providing a helping hand to those who need it most while also encouraging investments that will create jobs and sustained economic growth moving forward. I was very pleased to support this important tax relief bill, which will also help charities and communities that find themselves in need of extra assistance and economic investment."

Among a wide array of different provisions that have been extended for another year, the bill provides up to 30 million homeowners with tax relief by allowing them to deduct state and local property taxes, helps 4.5 million families better afford college with the tuition deduction; and saves 3.4 million teachers money with a deduction for classroom expenses. The bill also takes steps to ensure that activated military reservists do not suffer a pay cut by providing a tax credit for small businesses that continue to pay their National Guard and Reserve employees when they are called up to serve.

In an effort to help promote charitable giving, particularly in difficult economic times, the bill extends a variety of tax incentives for charitable giving. The measure encourages the donations of property for conservation purposes by increasing the amount donors can write off on their taxes. The bill also extends tax breaks for book donations to public schools, for businesses that donate to food inventories, and for donations of computer equipment for educational purposes. Additionally, the bill extends the tax provision that permits tax-free distributions from Individual Retirement Accounts (IRA) to charities up to \$100,000.

The bill also strengthens job creation in the U.S. and U.S. competitiveness abroad by extending the research and development tax credit for nearly 11,000 companies and the special rules for active financing income. The measure also helps businesses and individuals invest and

succeed in certain economically depressed areas with the extension of tax incentives for Empowerment Zones and Renewal Communities, as well as the new markets tax credit.

Additionally the bill provides substantial assistance for the real estate sector by providing more than \$5 billion to encourage improvements to retail stores, construction of restaurants and making certain other improvements to real property; extending the low-income housing tax credit exchange program which has invested more than \$3.7 billion in the construction of more than 49,000 low-income housing units; and providing nearly \$3 billion to encourage economic development in economically distressed communities.